

## SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 943, 944 of this title; title 31 sections 9101, 9108.

**§ 950a. Liquidation or dissolution of telephone bank**

In the case of liquidation or dissolution of the telephone bank, after the payment or retirement, as the case may be, first, of all liabilities; second, of all class A stock at par; third, of all class B stock at par; fourth, of all class C stock at par; then any surpluses and contingency reserves existing on the effective date of liquidation or dissolution of the telephone bank shall be paid to the holders of class A and class B stock issued and outstanding before the effective date of such liquidation or dissolution, pro rata.

(May 20, 1936, ch. 432, title IV, §411, as added May 7, 1971, Pub. L. 92-12, §2, 85 Stat. 37.)

## EFFECTIVE DATE

Section effective May 7, 1971, see section 7 of Pub. L. 92-12, set out as a note under section 921a of this title.

**§ 950b. Borrower net worth**

Except as provided in subsection (b)(2) of section 948 of this title, notwithstanding any other provision of law, a loan shall not be made under section 922 of this title to any borrower which during the immediately preceding year had a net worth in excess of 20 per centum of its assets unless the Secretary finds that the borrower cannot obtain such a loan from the telephone bank or from other reliable sources at reasonable rates of interest and terms and conditions.

(May 20, 1936, ch. 432, title IV, §412, as added May 7, 1971, Pub. L. 92-12, §2, 85 Stat. 37; amended Oct. 13, 1994, Pub. L. 103-354, title II, §235(a)(13), 108 Stat. 3221.)

## AMENDMENTS

1994—Pub. L. 103-354 substituted “Secretary” for “Administrator”.

## EFFECTIVE DATE

Section effective May 7, 1971, see section 7 of Pub. L. 92-12, set out as a note under section 921a of this title.

## SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 939 of this title.

**SUBCHAPTER V—RURAL ECONOMIC DEVELOPMENT**

## SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in section 6944 of this title.

**§ 950aa. Additional powers and duties**

The Secretary shall—

(1) provide advice and guidance to electric borrowers under this chapter concerning the effective and prudent use by such borrowers of the investment authority under section 940b of this title to promote rural development;

(2) provide technical advice, troubleshooting, and guidance concerning the operation of programs or systems that receive assistance under this chapter;

(3) establish and administer various pilot projects through electric and telephone borrowers that the Secretary determines are useful or necessary, and recommend specific rural development projects for rural areas;

(4) act as an information clearinghouse and conduit to provide information to electric and telephone borrowers under this chapter concerning useful and effective rural development efforts that such borrowers may wish to apply in their areas of operation and concerning State, regional, or local plans for long-term rural economic development;

(5) provide information to electric and telephone borrowers under this chapter concerning the eligibility of such borrowers to apply for financial assistance, loans, or grants from other Federal agencies and non-Federal sources to enable such borrowers to expand their rural development efforts; and

(6) promote local partnerships and other coordination between borrowers under this chapter and community organizations, States, counties, or other entities, to improve rural development.

(May 20, 1936, ch. 432, title V, §501, as added Nov. 28, 1990, Pub. L. 101-624, title XXIII, §2345, 104 Stat. 4029; amended Dec. 13, 1991, Pub. L. 102-237, title VII, §703(c), 105 Stat. 1881; Oct. 13, 1994, Pub. L. 103-354, title II, §235(a)(12), (13), 108 Stat. 3221; Apr. 4, 1996, Pub. L. 104-127, title VII, §781(b), 110 Stat. 1151.)

## AMENDMENTS

1996—Par. (7). Pub. L. 104-127 struck out par. (7) which read as follows: “administer a Rural Business Incubator Fund (as established under section 950aa-1 of this title) that shall provide technical assistance, advice, loans, or capital to business incubator programs or for the creation or operation of small business incubators in rural areas.”

1994—Pub. L. 103-354 struck out “of REA Administrator” at end of section catchline and substituted “Secretary” for “Administrator” in introductory provisions and par. (3).

1991—Pars. (6) to (8). Pub. L. 102-237 inserted “and” at end of par. (6), redesignated par. (8) as (7), and struck out former par. (7) which read as follows: “review the advice and recommendations of the Rural Educational Opportunities Board as established under section 601(f); and”.

## EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective as if included in the provision of the Food, Agriculture, Conservation, and Trade Act of 1990, Pub. L. 101-624, to which the amendment relates, see section 1101(b)(8) of Pub. L. 102-237, set out as a note under section 1421 of this title.

**§ 950aa-1. Repealed. Pub. L. 104-127, title VII, § 781(a), Apr. 4, 1996, 110 Stat. 1151**

Section, act May 20, 1936, ch. 432, title V, §502, as added Nov. 28, 1990, Pub. L. 101-624, title XXIII, §2345, 104 Stat. 4030; amended Dec. 13, 1991, Pub. L. 102-237, title VII, §703(d), 105 Stat. 1881; Oct. 13, 1994, Pub. L. 103-354, title II, §235(a)(13), 108 Stat. 3221, provided for establishment of Rural Business Incubator Fund.

**CHAPTER 31A—TELEMEDICINE AND DISTANCE LEARNING SERVICES IN RURAL AREAS**

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#### TERMINATION OF CHAPTER

*For termination of chapter by section 1(b) of Pub. L. 102-551, see note set out under section 950aaa of this title.*

### § 950aaa. Purpose

The purpose of this chapter is to encourage and improve telemedicine services and distance learning services in rural areas through the use of telecommunications, computer networks, and related advanced technologies by students, teachers, medical professionals, and rural residents.

(Pub. L. 101-624, title XXIII, § 2331, as added Pub. L. 104-127, title VII, § 704, Apr. 4, 1996, 110 Stat. 1108.)

#### TERMINATION OF SECTION

*For termination of section by section 1(b) of Pub. L. 102-551, see Termination of Chapter note set out below.*

#### PRIOR PROVISIONS

A prior section 950aaa, Pub. L. 101-624, title XXIII, § 2331, Nov. 28, 1990, 104 Stat. 4017, provided purposes of chapter, prior to the general amendment of this chapter by Pub. L. 104-127.

#### TERMINATION OF CHAPTER

Pub. L. 102-551, § 1(b), Oct. 28, 1992, 106 Stat. 4100, provided that: "Notwithstanding any other provision of law, chapter 1 of subtitle D of title XXIII of the Food, Agriculture, Conservation and Trade Act of 1990 (7 U.S.C. 950aaa et seq.), including the amendments made by this section [enacting section 950aaa-5 of this title and amending section 950aaa-4 of this title], shall be effective until September 30, 1997."

### § 950aaa-1. Definitions

In this chapter:

#### (1) Construct

The term "construct" means to construct, acquire, install, improve, or extend a facility or system.

#### (2) Cost of money loan

The term "cost of money loan" means a loan made under this chapter bearing interest at a

rate equal to the then current cost to the Federal Government of loans of similar maturity.

### (3) Secretary

The term "Secretary" means the Secretary of Agriculture.

(Pub. L. 101-624, title XXIII, § 2332, as added Pub. L. 104-127, title VII, § 704, Apr. 4, 1996, 110 Stat. 1108.)

#### TERMINATION OF SECTION

*For termination of section by section 1(b) of Pub. L. 102-551, see Termination of Chapter note set out under section 950aaa of this title.*

#### PRIOR PROVISIONS

A prior section 950aaa-1, Pub. L. 101-624, title XXIII, § 2332, Nov. 28, 1990, 104 Stat. 4017; Pub. L. 102-237, title VII, § 702(g), Dec. 13, 1991, 105 Stat. 1880, provided goal of Federal Government to make affordable advanced telecommunications available to rural residents, prior to the general amendment of this chapter by Pub. L. 104-127.

### § 950aaa-2. Telemedicine and distance learning services in rural areas

#### (a) Services to rural areas

The Secretary may provide financial assistance for the purpose of financing the construction of facilities and systems to provide telemedicine services and distance learning services in rural areas.

#### (b) Financial assistance

##### (1) In general

Financial assistance shall consist of grants or cost of money loans, or both.

##### (2) Form

The Secretary shall determine the portion of the financial assistance provided to a recipient that consists of grants and the portion that consists of cost of money loans so as to result in the maximum feasible repayment to the Federal Government of the financial assistance, based on the ability to repay of the recipient and full utilization of funds made available to carry out this chapter.

#### (c) Recipients

##### (1) In general

The Secretary may provide financial assistance under this chapter to—

(A) entities using telemedicine services or distance learning services; and

(B) entities providing or proposing to provide telemedicine service or distance learning service to other persons at rates calculated to ensure that the benefit of the financial assistance is passed through to the other persons.

#### (2) Electric or telecommunications borrowers

##### (A) Loans to borrowers

Subject to subparagraph (B), the Secretary may provide a cost of money loan under this chapter to a borrower of an electric or telecommunications loan under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.). A borrower receiving a cost of money loan under this paragraph shall—

(i) make the funds provided available to entities that qualify under paragraph (1) for projects satisfying the requirements of this chapter;

(ii) use the funds provided to acquire, install, improve, or extend a system referred to in subsection (a) of this section; or

(iii) use the funds provided to install, improve, or extend a facility referred to in subsection (a) of this section.

**(B) Limitations**

A borrower of an electric or telecommunications loan under the Rural Electrification Act of 1936 [7 U.S.C. 901 et seq.] shall—

(i) make a system or facility funded under subparagraph (A) available to entities that qualify under paragraph (1); and

(ii) neither retain from the proceeds of a loan provided under subparagraph (A), nor assess a qualifying entity under paragraph (1), any amount except as may be required to pay the actual costs incurred in administering the loan or making the system or facility available.

**(3) Appeal**

If the Secretary rejects the application of a borrower who applies for a cost of money loan or grant under this section, the borrower may appeal the decision to the Secretary not later than 10 days after the borrower is notified of the rejection.

**(4) Assistance to provide or improve services**

Financial assistance may be provided under this chapter for a facility regardless of the location of the facility if the Secretary determines that the assistance is necessary to provide or improve telemedicine services or distance learning services in a rural area.

**(d) Priority**

The Secretary shall establish procedures to prioritize financial assistance under this chapter considering—

(1) the need for the assistance in the affected rural area;

(2) the financial need of the applicant;

(3) the population sparsity of the affected rural area;

(4) the local involvement in the project serving the affected rural area;

(5) geographic diversity among the recipients of financial assistance;

(6) the utilization of the telecommunications facilities of any telecommunications provider serving the affected rural area;

(7) the portion of total project financing provided by the applicant from the funds of the applicant;

(8) the portion of project financing provided by the applicant with funds obtained from non-Federal sources;

(9) the joint utilization of facilities financed by other financial assistance;

(10) the coordination of the proposed project with regional projects or networks;

(11) service to the greatest practical number of persons within the general geographic area covered by the financial assistance;

(12) conformity with the State strategic plan as prepared under section 2009c of this title; and

(13) other factors determined appropriate by the Secretary.

**(e) Maximum amount of assistance to individual recipients**

The Secretary may establish the maximum amount of financial assistance to be made available to an individual recipient for each fiscal year under this chapter, by publishing notice of the maximum amount in the Federal Register not more than 45 days after funds are made available for the fiscal year to carry out this chapter.

**(f) Use of funds**

Financial assistance provided under this chapter shall be used for—

(1) the development and acquisition of instructional programming;

(2) the development and acquisition, through lease or purchase, of computer hardware and software, audio and visual equipment, computer network components, telecommunications terminal equipment, telecommunications transmission facilities, data terminal equipment, or interactive video equipment, or other facilities that would further telemedicine services or distance learning services;

(3) providing technical assistance and instruction for the development or use of the programming, equipment, or facilities referred to in paragraphs (1) and (2); or

(4) other uses that are consistent with this chapter, as determined by the Secretary.

**(g) Salaries and expenses**

Notwithstanding subsection (f) of this section, financial assistance provided under this chapter shall not be used for paying salaries or administrative expenses.

**(h) Expediting coordinated telephone loans**

**(1) In general**

The Secretary may establish and carry out procedures to ensure that expedited consideration and determination is given to applications for loans and advances of funds submitted by local exchange carriers under this chapter and the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) to enable the exchange carriers to provide advanced telecommunications services in rural areas in conjunction with any other projects carried out under this chapter.

**(2) Deadline imposed on Secretary**

Not later than 45 days after the receipt of a completed application for an expedited telephone loan under paragraph (1), the Secretary shall notify the applicant in writing of the decision of the Secretary regarding the application.

**(i) Notification of local exchange carrier**

**(1) Applicants**

Each applicant for a grant for a telemedicine or distance learning project established under this chapter shall notify the appropriate local telephone exchange carrier regarding the application filed with the Secretary for the grant.

**(2) Secretary**

The Secretary shall—

(A) publish notice of applications received for grants under this chapter for telemedicine or distance learning projects; and

(B) make the applications available for inspection.

(Pub. L. 101-624, title XXIII, § 2333, as added Pub. L. 104-127, title VII, § 704, Apr. 4, 1996, 110 Stat. 1109.)

#### TERMINATION OF SECTION

*For termination of section by section 1(b) of Pub. L. 102-551, see Termination of Chapter note set out under section 950aaa of this title.*

#### REFERENCES IN TEXT

The Rural Electrification Act of 1936, referred to in subsecs. (c)(2) and (h)(1), is act May 20, 1936, ch. 432, 49 Stat. 1363, as amended, which is classified generally to chapter 31 (§901 et seq.) of this title. For complete classification of this Act to the Code, see section 901 of this title and Tables.

#### PRIOR PROVISIONS

A prior section 950aaa-2, Pub. L. 101-624, title XXIII, § 2333, Nov. 28, 1990, 104 Stat. 4017; Pub. L. 103-354, title II, § 235(b)(4)(A), (C), Oct. 13, 1994, 108 Stat. 3221, 3222, provided definitions for chapter, prior to the general amendment of this chapter by Pub. L. 104-127.

#### SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 917 of this title.

### § 950aaa-3. Administration

#### (a) Nonduplication

The Secretary shall ensure that facilities constructed using financial assistance provided under this chapter do not duplicate adequate established telemedicine services or distance learning services.

#### (b) Loan maturity

The maturities of cost of money loans shall be determined by the Secretary, based on the useful life of the facility being financed, except that the loan shall not be for a period of more than 10 years.

#### (c) Loan security and feasibility

The Secretary shall make a cost of money loan only if the Secretary determines that the security for the loan is reasonably adequate and that the loan will be repaid within the period of the loan.

#### (d) Encouraging consortia

The Secretary shall encourage the development of consortia to provide telemedicine services or distance learning services through telecommunications in rural areas served by a telecommunications provider.

#### (e) Coordination with other agencies

The Secretary shall coordinate, to the extent practicable, with other Federal and State agencies with similar grant or loan programs to pool resources for funding meritorious proposals in rural areas.

#### (f) Informational efforts

The Secretary shall establish and implement procedures to carry out informational efforts to advise potential end users located in rural areas of each State about the program authorized by this chapter.

(Pub. L. 101-624, title XXIII, § 2334, as added Pub. L. 104-127, title VII, § 704, Apr. 4, 1996, 110 Stat. 1111.)

#### TERMINATION OF SECTION

*For termination of section by section 1(b) of Pub. L. 102-551, see Termination of Chapter note set out under section 950aaa of this title.*

#### PRIOR PROVISIONS

A prior section 950aaa-3, Pub. L. 101-624, title XXIII, § 2334, Nov. 28, 1990, 104 Stat. 4019; Pub. L. 103-354, title II, § 235(b)(4)(B), (C), Oct. 13, 1994, 108 Stat. 3221, 3222, contained provisions relevant to telecommunications programs, prior to the general amendment of this chapter by Pub. L. 104-127.

### § 950aaa-4. Regulations

Not later than 180 days after April 4, 1996, the Secretary shall issue regulations to carry out this chapter.

(Pub. L. 101-624, title XXIII, § 2335, as added Pub. L. 104-127, title VII, § 704, Apr. 4, 1996, 110 Stat. 1112.)

#### TERMINATION OF SECTION

*For termination of section by section 1(b) of Pub. L. 102-551, see Termination of Chapter note set out under section 950aaa of this title.*

#### PRIOR PROVISIONS

A prior section 950aaa-4, Pub. L. 101-624, title XXIII, § 2335, Nov. 28, 1990, 104 Stat. 4021; Pub. L. 102-551, § 1(c), Oct. 28, 1992, 106 Stat. 4100; Pub. L. 103-354, title II, § 235(b)(4)(C), Oct. 13, 1994, 108 Stat. 3222, related to rural community access to advanced telecommunications, prior to the general amendment of this chapter by Pub. L. 104-127.

#### ANALYSIS BY OFFICE OF TECHNOLOGY ASSESSMENT

Section 2385 of Pub. L. 101-624 provided that Office of Technology Assessment was to include, in study of effects of information age technology on rural America, analysis of feasibility of ensuring that rural citizens in their homes and schools had ability to acquire, by computer, information in a national library, and specified contents of such analysis, prior to repeal by Pub. L. 104-127, title VII, § 708, Apr. 4, 1996, 110 Stat. 1112.

### § 950aaa-5. Authorization of appropriations

There are authorized to be appropriated to carry out this chapter \$100,000,000 for each of fiscal years 1996 through 2002.

(Pub. L. 101-624, title XXIII, § 2335A, as added Pub. L. 104-127, title VII, § 704, Apr. 4, 1996, 110 Stat. 1112.)

#### TERMINATION OF SECTION

*For termination of section by section 1(b) of Pub. L. 102-551, see Termination of Chapter note set out under section 950aaa of this title.*

#### PRIOR PROVISIONS

A prior section 950aaa-5, Pub. L. 101-624, title XXIII, § 2335A, as added Pub. L. 102-551, § 1(a), Oct. 28, 1992, 106 Stat. 4098; amended Pub. L. 103-354, title II, § 235(b)(4)(C), Oct. 13, 1994, 108 Stat. 3222, related to special health care and distance learning program for qualified service areas, prior to the general amendment of this chapter by Pub. L. 104-127.

## CHAPTER 32—PEANUT STATISTICS

Sec.  
951.

Collection and publication; facts required; submission of report.